

City Letterhead

February \_\_\_\_, 2015

Mr. David S. Fulton, Director  
Division of Aviation  
Texas Department of Transportation  
125 E. 11th Street  
Austin, Texas 78701-2483

Re: Request for Financial Assistance  
Master Plan Update  
McKinney National Airport (TKI)

Dear Mr. Fulton:

As the sponsor of McKinney National Airport, the City of McKinney asks that the Aviation Division consider our request to provide a planning grant for a Master Plan Update that will address most or all of the components on the sheet titled *Suggested Master Plan Components* attached as Enclosure 1.

Understanding that all projects must be justified, please refer to the *Proposed Master Plan Update Background and Justification* paper attached as Enclosure 2.

As always, we are grateful for TxDOT's programs of financial assistance as well as its involvement in our airport planning studies and projects.

If you should have questions or require additional supporting information, please contact Airport Director Ken Wiegand (972) 562-4053.

Respectfully,

CMO

Enclosures

c: Greg Miller, TxDOT Director, Planning and Programming  
Daniel Benson, TxDOT-Airport Planner  
Ken Wiegand, Airport Director

(Enclosure 1)

### ***Suggested Master Plan Components***

The Master Plan process will bring people together to plan for the future of a regional air transportation center. The process will educate and inform regional citizens, elected, City and County officials, City staff and community and business leaders. It will satisfy requirements of federal grant assurances.

Master Plan Update components might include –

- Inventory of airport and landside amenities
  - Airport History, role, activity
  - Existing airside facilities
  - Existing Landside facilities
  - Planned and on-going development projects
  - Area Airspace
  - Climatic and meteorological conditions
  - Socioeconomic data
  - Other airports
  - Previous planning studies
  - Economic Market Inventory – Local/Regional
  - Land use evaluation
- Forecasts of Aviation Demand
  - Demographics
  - Historic aviation activity
  - National aviation trends
  - FAA activity forecasts
  - Texas Aviation Trends
  - Projects of aviation demand
  - Based aircraft projects based on population and earnings
  - Aircraft operations projections
  - Identify critical aircraft (airport design criteria is based on this)
- Airport Market Analysis and Strategy
  - SWOT Analysis
  - Customer Development Strategies
  - Airport Target Industry Analysis
  - Airport Business and Financial Analysis
- Demand/Capacity Analysis
  - Airfield layout
  - Weather conditions
  - Aircraft fleet mix
  - T&G operations
  - Peak-hour airfield capacity

- Annual service volumes
- Delay analysis
- Facility Requirements
  - Airside facility requirements: runway, taxiway, clear zones
    - Navigation aids
    - Runway, Taxiway, Safety/Protection Zones
  - Landside facility requirements
    - Aircraft storage
    - T-hangars
    - Box hangars
    - Corporate aviation facilities
    - FBO complex: parking
    - Fuel farm locations/capacity
    - Aircraft rescue and firefighting (ARFF)
- Airside Development Alternatives
  - Airfield area design standards
  - Evaluation criteria
  - Alternatives development concepts and evaluation of the same
  - Preferred Airside development alternatives
- Landside Development Alternatives
  - Property acquisition
  - Terminal area design standards
  - Airport functional development areas
- Environmental Overview
  - Noise
    - Noise contour generation (to update the Part 150 Study? Or Comparison to the Existing NEM)
    - Approach and take-off profiles
    - Flight tracks
    - Compatible land use
    - Social impacts
    - *Stormwater Management Analysis*
      - Air and water quality
      - Floodplains
      - Wetlands
    - Light emissions
    - Solid waste and hazardous material impacts
    - Mitigation
- ACIP and Financial Plan
  - *Strategic Plan Update* . . . . . ☒ Added cost
  - *FBO business plan development* . . . . . ☒ Added cost
  - Airport financial structure

- Overview of airport financials
  - Tax revenue
  - Overview of Economic impact
  - ACIP
  - Funding the ACIP
- Appendices:
    - Air Service Analysis (overview)
    - Airport Layout Plan Drawings

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(Enclosure 2)

## ***Proposed Master Plan Update Background and Justification***

### BACKGROUND

The City of McKinney (City) conducted a Master Plan Update (MPU) in 2003-05. That MPU was finally reviewed and dated February 2006. An ALP Update was conducted in 2011 and completed and dated in March 2012. The ALP Update was conducted for three reasons:

- (1) The City had completed or was in the process of completing all capital infrastructure projects listed on the 2006 MPU that did not directly involve private investment.
- (2) MPU Forecast data (collected in 2003-04) required updating.
- (3) The aviation industry was feeling the effects of a world-wide economic downturn that affected the General Aviation industry with emphasis on Business Aviation. Under these circumstances, the City felt that an ALP Update vs a Master Plan Update was most cost effective and might provide enough information and data to extend the 2006 MPU's horizon through 2031.

Since the ALP Update was completed in March 2012, the national economy has experienced an up-turn and the City and its airport have experienced several significant events that we believe warrant the proposed MPU. Those events include:

- The City of McKinney invested \$25 million to acquire the airport's FBO and hangars, offices, a terminal building and a 32-year land lease from their single owner/lessee/developer. This was a bold move by the City, the purpose of which was intended to –
  - Provide the airport with an opportunity to become as financially self-sufficient as possible as supported by federal grant assurances.
  - For the first time in the airport's history, take control of local, regional and airport economic development.
- Acquisition of the FBO has created increased demand and new challenges. For example, we are experiencing serious interest for large foot-print aeronautical facilities, and renewed demand for hangars, tiedowns, offices, aircraft parking ramps and auto parking. *We believe that the primary causes for this increased interest and demand can be verified by a MPU; however, our initial thoughts credit the following events as the catalysts for the sudden surge in demand.*
  - McKinney National is located on the northeast fringe of Class-B airspace that offered transient flights quick and easy in-out access to the northeast quadrant of Metroplex.

- The FBO and airport adjusted its pricing structure in the interest of financial self-sufficiency. In turn, it enhanced the airport's overall competitiveness.
  - We believe that our enhanced competitiveness is attracting new transient business and increased based aircraft that are demanding hangar, tie-downs and automobile parking spaces.
  - Repeal of the Wright Amendment has increased commercial operations at Dallas Love Field, forcing users to seek less crowded conditions with reduced ground and flight delays.
  - McKinney National's utility, well maintained infrastructure, existing amenities (paid for locally), safety and security and overall attractiveness offer a desired alternative to other airports in the region.
  - Money Magazine ranked [McKinney as the #1 Best Place to Live in America](#). McKinney has been featured in the top 15 cities since 2008 and top 5 since 2010. McKinney also has been among the fastest-growing cities in the country since 2000. These facts demonstrate the increased interest in McKinney as a place to live, work and play which could have profound effects on the level of aviation activity in the region.
- The airport experienced operational growth of more than 10% between FY13 and FY14, which is 6% more than we anticipated using extrapolated data provided by our Air Traffic Control Tower (ATCT) personnel in 2013. This might be attributed to the effects of our newly established competitiveness and the Wright Repeal. *This too can be verified by a MPU.*
  - With the up-turn in the national economy, the FAA is forecasting increased business and corporate activity throughout the country. This group is one of the primary tenants/users of McKinney National Airport. *Their impact on infrastructure and facilities can be verified by a MPU.*
  - The FBO-controlled common hangars and T-hangars are completely filled and remain so with an active waiting list.
  - The FBO maintains an aircraft hangar waiting list that includes more than 90 aircraft and is growing. According to the National Based Aircraft Inventory Program, which we continuously update, the airport has 306 based aircraft. This is only 12 less than the 2012 ALP Update's forecasted number of 318 for the year 2026.
  - The City is constructing new large box common hangars for business-class, turbo-powered aircraft to meet current demand. To do this correctly and in accordance with the 2012 ALP Update, *will require an in-depth look at the placement and use of hangars that a MPU can provide.* For example, should we consider relocating T-hangars by replacing the existing T's with new T's or consider replacing T's with small, integrated box hangars? Are T's continuing to

be an industry standard or should we consider new designs and layouts that future aircraft designs may demand? *This can be assessed with a MPU.*

- Two hundred acres adjacent to and west of the airport were recently acquired, prompting the City to consider a land acquisition program that would protect the airport from close-in encroachment along the remainder of its boundaries and prepare the airport for future growth and development. *This will involve yet another sizable investment by the City of McKinney in addition to the \$25 million that has already been invested to enhance the airport's long-term financial viability.*
- A proposed new access road with 6-lane easement from LOOP 399 -- better described unofficially as SR121 Sam Rayburn Tollway extended -- will connect to FM 546, which is the section of road directly south of the airport that we (the airport and TxDOT Aviation & Highways) relocated with Aviation Funds for the replacement runway project is *scheduled to be let in September 2015 depending upon funding.* When this road is complete, it will provide a direct route to the airport's southwest quadrant and prompt development of the airport's east side.

## JUSTIFICATION

Considering the background information above, a Master Plan Update will provide TxDOT, FAA the City of McKinney and jurisdictions of Collin County with information and recommendations based on *regional consensus* to develop a world-class airport over the next twenty years. It will help us prioritize projects based on updated demand forecasts, availability of funding and a direction for airport growth.

A MPU will re-examine and re-forecast regional growth and its impact on airport operations. It will present a new demand/capacity analysis that will lead to decisions concerning airside and landside development that will be required to meet our current and future growing demand.

An important yet ancillary benefit of conducting a MPU now is that the study will re-generate regional interest in airport services and development that affect the environment and economic viability of all jurisdictions in Collin County. Based on the success of the 2003-04 MPU, a 2015-16 MPU must be inclusive and transparent to the regional community. In this regard, the City would afford other Collin County jurisdictions the opportunity to participate in the study process. A MPU could deter noise issues and create a positive consensus for the future development of McKinney National Airport among regional residents and the political and business bases of Collin County Jurisdictions.

